

Department of Social and Health Services

DP Code/Title: PL-WD Meds Unit Transfer from MAA to ESA
Program Level - 060 Economic Services Admin

Budget Period: 2003-05 Version: 11 2003-05 Agency Request Budget

Recommendation Summary Text:

The Medical Assistance Administration (MAA) is requesting transfer of the Medical Eligibility Determination Services (MEDS) unit to the Economic Services Administration (ESA). ESA will receive 19.5 annual FTEs from MAA, and the activities that support eligibility determination for children and pregnant women currently conducted in MAA, will be reorganized in ESA to eliminate duplication between the two administrations.

Fiscal Detail:

Operating Expenditures

	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 060			
001-1 General Fund - Basic Account-State	486,500	486,500	973,000
001-C General Fund - Basic Account-DSHS Medicaid Federa	486,500	486,500	973,000
Total Cost	973,000	973,000	1,946,000

Staffing

	<u>FY 1</u>	<u>FY 2</u>	<u>Annual Avg</u>
Program 060 FTEs	19.5	19.5	19.5

Package Description:

The MEDS unit determines children's medical eligibility for all applicants under age 19, with household income at or below 200 percent of the Federal Poverty Level (FPL), or non-citizen children under age 18, with household incomes at or below 100 percent of FPL, including applicants for Basic Health Plus (BHP). MAA and ESA have agreed that activities, which support eligibility determination for children and pregnant women at MEDS, will be transferred to ESA. This change does not include Basic Health Plus, pregnant Basic Health members, Children's Health Insurance Program (CHIP), Foster Care, Breast and Cervical Cancer Treatment, or Take Charge applicants and recipients.

The MEDS unit will be reorganized under ESA, continuing to provide services to applicants under the age of 19, non-citizen children under 18, and pregnant women. This transfer results in reduced administrative staff realized in the 2002 Supplemental administrative reductions step.

Narrative Justification and Impact Statement

How contributes to strategic plan:

This proposal results in consolidation and integration of operations among other state agencies and within the Department of Social and Health Services (DSHS) for the purpose of enhancing client services and improving cost effectiveness. MAA will work with other DSHS administrations, the Health Care Authority (HCA), and other state agencies to streamline operational functions, and reduce the administrative burden on clients, health carriers, facilities, providers, and other vendors.

Performance Measure Detail

Goal:

Incremental Changes
FY 1 **FY 2**

Reason for change:

This proposal is part of MAA's effort to meet the program's staff reduction target and to consolidate like functions within

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DSHS. The proposal will continue the ability of families to apply by mail for health coverage, while improved efficiencies are realized within DSHS.

Impact on clients and services:

The Community Services Division of ESA will be the single point of entry for those families applying for medical eligibility for children and pregnant women. A total of 19.5 annual FTEs will be transferred to ESA.

This reorganization does not include Basic Health Plus, pregnant Basic Health members, Foster Care Medical Unit, Take Charge, Breast and Cervical Cancer Treatment Program, or CHIP.

Stakeholders affected by this proposal include: ESA, employee unions, HCA, and community-based organizations.

Advocate groups will be informed of changes to the processing of children's medical applications. ESA will take over processing applications effective in August 2002.

Impact on other state programs:

None

Relationship to capital budget:

None

Required changes to existing RCW, WAC, contract, or plan:

Revisions will be made to existing WAC and the State Plan for Medical Assistance to reflect the changes resulting from the reorganization.

Alternatives explored by agency:

The single alternative explored involved continuation of the MEDS unit activities within MAA. Pursuing that alternative would result in continued duplication of effort within DSHS, and would not assist the department in achieving the staff reductions needed to stay within the 2001-03 Biennial Budget.

Budget impacts in future biennia:

There is no bow wave related to this transfer.

Distinction between one-time and ongoing costs:

All costs are ongoing.

Effects of non-funding:

The transfer was completed in Fiscal Year 2003. Non-funding will require MAA to pay for ESA staff located in the CSOs.

Expenditure Calculations and Assumptions:

See attachment - AW PL-WD Meds Unit Transfer from MAA to ESA.xls

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<u>Object Detail</u>		<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 060 Objects				
A	Salaries And Wages	708,000	708,000	1,416,000
B	Employee Benefits	186,000	186,000	372,000
E	Goods And Services	70,000	70,000	140,000
N	Grants, Benefits & Client Services	9,000	9,000	18,000
Total Objects		973,000	973,000	1,946,000

DSHS Source Code Detail

Program 060		<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State				
<u>Sources</u>	<u>Title</u>			
0011	General Fund State	486,500	486,500	973,000
<i>Total for Fund 001-1</i>		486,500	486,500	973,000
Fund 001-C, General Fund - Basic Account-DSHS Medicaid Federa				
<u>Sources</u>	<u>Title</u>			
19UL	Title XIX Admin (50%)	486,500	486,500	973,000
<i>Total for Fund 001-C</i>		486,500	486,500	973,000
Total Program 060		973,000	973,000	1,946,000